



**IOWA FINANCE AUTHORITY  
BOARD MEETING MINUTES**

**Iowa Finance Authority Presentation Room  
2015 Grand Avenue  
Des Moines, Iowa**

**June 4, 2008**

**Board Members Present**

Roger Caudron, Vice Chair  
Steven Adams (via telephone)  
Heather Armstrong

Virginia Bordwell  
Dave Erickson  
Douglas Walter

**Staff Members Present**

Bret Mills, Executive Director  
Lori Beary, Community Development  
Director  
Mark Fairley, Finance & Investment Manager  
Irene Hardisty, Director of Single-Family  
Production  
Judy Hartman, Single-Family Programs  
Administrative Assistant  
Steve Harvey, Director of Operations/  
Comptroller  
Tim Jansen, Finance & Budget Manager  
Craig Johnson, Underwriter  
Susan Mock, Administrative Assistant

Sharon Murphy, Housing and Grants  
Specialist  
Joe O'Hern, Director of HousingIowa  
Carla Pope, Director of Affordable Rental  
Production  
James Smith, Deputy Director/CFO  
Mark Thompson, General Counsel  
Dave Vaske, Low-Income Housing Tax  
Credit (LIHTC) Manager  
Matt White, Title Guaranty Division (TG)  
Deputy Director  
Nancy Wallis, Administrative Assistant

**Others Present**

Andy Anderson – Faegre & Benson  
Erin Andrew – Governor Culver's Office  
Bobbi Bendickson – Habitat for Humanity of  
Iowa  
Kristi Boyce – Wells Fargo Bank Iowa, NA  
Bob Burns – BurnsHousing.com  
Al Collet – Community Housing Initiatives  
Jim Conlin – Conlin Properties  
Joni DeVries - Wells Fargo Bank Iowa, NA  
Dave Epley – House Democratic Staff  
Steve Ferguson – Bankers Trust

Terry Hardy – Habitat for Humanity of Iowa  
David Grossklaus – Dorsey & Whitney  
Law Firm  
Sheila Lumley – Polk County Housing Trust  
Fund  
Randy McPhail – Columbia Capital  
Renie Neuberger – Neuberger Consulting  
Jackie Nickolaus – Sherman Hill Associates  
Kyle Rice – State Treasurer's Office  
Stuart Ruddy – Faegre & Benson

## **Call to Order**

Vice Chair Caudron called to order the June 4, 2008, regular monthly meeting of the Iowa Finance Authority (IFA) Board of Directors at 10:50 a.m. Roll call was taken and a quorum was established with the following members present: Armstrong, Bordwell, Caudron, Erickson and Walter.

## **Review of Minutes**

### **May 7, 2008, Board Meeting**

Vice Chair Caudron introduced the minutes of the May 7, 2008, regular monthly meeting of the IFA Board of Directors.

Ms. Bordwell asked for more information about the policies TG has issued to homeowners who purchased a home from Regency Homes prior to the collapse of that business. She asked if any criteria for those policies differed from TG's ordinary standards. Vice Chair Caudron suggested that she ask Mr. Ogle during his report because he wasn't currently present. (See page 9)

**Motion:** Mr. Erickson made a motion that was seconded by Ms. Armstrong, to approve the minutes of the May 7, 2008, Board meeting. Ms. Bordwell said she would abstain from voting because she did not participate in the May Board meeting. Because there was not a quorum for the vote, the item was tabled until later in the meeting. (See motion on page 3)

## **Administration**

### **SUMMARY & OVERVIEW**

Mr. Mills announced that in May, IFA hosted a statewide affordable housing finance training in conjunction with the National Development Council. He said the weeklong training, which focused on single-family financing, was the first of four sessions to be held during the next two years.

Mr. Mills reported that IFA and Iowa State University Extension have signed an agreement allowing Dr. Mickey Carlson to help develop a statewide housing policy, which was the top priority suggested in Dr. Heather MacDonald's 2007 housing study.

Mr. Mills said IFA will host the 2008 HousingIowa Conference October 2-3 at the Downtown Des Moines Marriott. He noted the conference will include tracks on single-family housing, multifamily housing, homelessness and compliance.

Mr. Mills also stated that Mr. Caudron and Mr. Adams attended an informational session in Sioux City where four IFA staff members presented information to Iowa State University Extension staff from around the state to explain IFA's programs and capabilities. Mr. Caudron thanked staff for traveling to Sioux City for the presentation. He said those in attendance were appreciative of the efforts and the information.

Mr. Adams joined the meeting by phone at 10:59 a.m.

## **ACCOUNTING & FINANCE**

### **Review of April Financial Statement**

Mr. Harvey presented the April financial statement, noting that as a housing agency, IFA's year-to-date revenue is \$549,252 unfavorable to budget, year-to-date operating expenses are \$10,812 favorable to budget, and year-to-date net grant expense is \$53,025 unfavorable to budget, making the year-to-date operating income unfavorable to budget by \$591,465. He summarized specific points of the report.

Mr. Harvey stated that SRF year-to-date revenue trails budget by \$1,193,244 and year-to-date operating expense is \$40,073 unfavorable to budget. He noted that net grant income trails budget by \$13,571,903 because IFA is still not able to draw the 2007 Cap Grants. Mr. Harvey explained that IFA should start to draw the Cap Grants before the end of June.

**Motion:** On a motion by Ms. Bordwell and a second by Mr. Walter, the Board unanimously accepted the April financial statement.

### **FY09 Budget**

Mr. Harvey and Mr. Jansen introduced the budget for FY09. Mr. Harvey referred to the memo included in the Board packet to explain the ratios used for planning the budget.

Mr. Mills said the ratios are consistent with our "AA-" rating from Standard & Poor's. He said IFA had been trying to set the ratios in line for the "AA" rating we were hoping to achieve, but that the current financial climate and IFA's programs indicate that we should set the budget in line with our current "AA-" rating for the next fiscal year. Mr. Harvey explained that the proposed ratios are in line with IFA's Capital Adequacy Study.

Mr. Jansen presented information about the SRF budget based on the memo included in the Board materials.

**Motion:** On a motion by Mr. Adams and a second by Mr. Walter, the Board unanimously approved the FY09 budget.

### **May 7, 2008, Board Meeting Minutes**

Vice Chair Caudron stated that when the minutes were considered earlier in the meeting, Ms. Bordwell abstained, leaving fewer voting members than required for a quorum because Mr. Adams had not yet joined the meeting. Vice Chair Caudron called for a motion. Ms. Bordwell said she would abstain from voting because she did not participate in the May Board meeting.

**Motion:** Mr. Erickson made a motion to approve the minutes of the May 7, 2008, Board meeting. On a second by Ms. Armstrong, the Board approved the minutes of the May 7, 2008, Board meeting, with Ms. Bordwell abstaining.

### **Single-Family Authorizing Resolution, 2008 D, E and F**

Mr. Fairley introduced the resolution and explained that although the resolution authorizes a total principal amount not to exceed \$95 million, the issue size is expected to be \$60 million. He summarized the key points of the financing proposal and said the pricing should take place in late June, with the closing expected the middle or end of July.

**Motion:** Mr. Walter made a motion to approve the resolution adopting and approving series resolutions relating to Single-Family Mortgage Bonds, 2008 Series D, 2008 Series E and 2008 Series F (Mortgage-Backed Securities Program), and authorizing the issuance, sale and delivery of the Authority's Single-Family Mortgage Bonds pursuant to such series resolutions; authorizing the execution and delivery of one or more Contracts of Purchase and a Continuing Disclosure Agreement; and delegating certain responsibilities to the Executive Director for finalizing certain matters, forms and contents of certain documents. On a second by Ms. Bordwell, the Board unanimously approved the Single-Family Authorizing Resolution, 2008 D, E and F.

## **LEGAL**

### **Resolution – Suggested Order re: Metro Lofts Waiver Request**

Ms. Pope distributed a letter from Metro Lofts demonstrating that financing is in place to complete the project in a timely manner if the waiver request is approved.

Mr. Thompson introduced the resolution and said representatives from Metro Lofts were present and have requested an opportunity to address the Board. Vice Chair Caudron asked Board members if they were willing to hear from those representatives. Hearing no objection, he invited representatives of the Metro Lofts project to approach the Board.

Mr. Andy Anderson introduced himself and Ms. Jackie Nickolaus. Mr. Anderson stated that the Metro Lofts project scored well enough to be funded if there had been enough credits available. Mr. Anderson explained that the project has a syndicator and the funding to proceed, and he asked that the Board consider awarding them the credits that are currently available.

Ms. Nickolaus said the project has a syndicator and an investor that are ready to proceed with the project.

**Motion:** Ms. Bordwell made a motion to approve the resolution adopting the order denying Metro Lofts' request for waiver of Section 6.3.1 of the 2008 Low-Income Housing Tax Credit Qualified Allocation Plan (QAP) (Iowa Administrative Code Rule 265 – 12.1). On a second by Mr. Walter, the Board unanimously approved the resolution.

Board and staff assured the representatives from Metro Lofts that the decision was made only to maintain the integrity of the Qualified Allocation Plan and had nothing to do with the quality of the proposed project or the developer. Board members encouraged the project developers to continue with plans so the project can apply for tax credits in the future.

### **Administrative Rules Emergency Adoption – Chapter 27, Military Service Member Home Ownership Assistance Program**

Mr. Thompson announced that during the past session, the Legislature passed legislation giving IFA the sole responsibility for the Military Service Member Homeownership Assistance Program. He said that in order to implement the program, IFA would like to replace the existing Chapter 27 with a new Chapter 27, adopting the rules emergency so they can become effective on July 1, 2008. Mr. Thompson noted that the new chapter includes only minor changes, with the most significant change being that anyone applying for the grant who qualifies for the FirstHome Program must utilize the FirstHome program.

**Motion:** On a motion by Ms. Bordwell and a second by Ms. Armstrong, the Board unanimously approved the administrative rules for Chapter 27, Military Service Member Homeownership Assistance Program, adopted and filed emergency, to become effective on July 1, 2008.

Vice Chair Caudron asked how many military service members had been assisted with the program since inception. Ms. Hartman said 1,453 individuals or families have taken advantage of the program.

**Notice of Intended Action - Chapter 27, Military Service Member Home Ownership Assistance Program**

Mr. Thompson reported that the Notice of Intended Action would take the proposed rules through the normal rule-making process and allow for public comment, while still allowing the rules to become effective in less than one month.

**Motion:** On a motion by Ms. Bordwell and a second by Ms. Armstrong, the Board unanimously approved the Notice of Intended Action for Chapter 27, Military Service Member Homeownership Assistance Program.

**LEGISLATIVE**

In the absence of Mr. Jones, Mr. Mills spoke briefly about the successful Iowa legislative session, during which IFA received permanent funding for the State Housing Trust Fund.

Mr. Mills reported that there are many unresolved issues yet on the federal level.

**COMMUNICATIONS**

Mr. Mills noted that Ms. Lode is absent because she is helping with relief efforts in Parkersburg, Iowa, following the devastating tornado there. He reported that she has been working with Ms. Noland on marketing issues for Iowa Mortgage Help, and is continuing with preparations for the 2008 HousingIowa Conference scheduled for October 2-3, 2008.

**ECONOMIC DEVELOPMENT PROGRAM**

**ED Resolution #08-06A, Great River Medical Center Project**

Ms. Beary introduced an application and inducement resolution for \$37,480,000 of Iowa Finance Authority Hospital Refunding Revenue Bonds for the Great River Medical Center Project in West Burlington. She stated that the bonds will be used to refinance 1997 auction-rate bonds and will not require Private Activity Bond Cap.

**Motion:** Mr. Walter made a motion to adopt the resolution approving an application for \$37,480,000 of Iowa Finance Authority Hospital Refunding Revenue Bonds (Great River Medical Center Project), Series 2008, for Great River Medical Center (the “Borrower”), and evidencing the intent to proceed with the issuance of \$37,480,000 Hospital Refunding Revenue Bonds. On a second by Ms. Bordwell, the Board unanimously adopted Resolution #08-06A.

**ED Resolution #08-06B, Great River Medical Center Project**

Ms. Beary introduced the authorizing resolution for \$37,480,000 of Iowa Finance Authority Hospital Refunding Revenue Bonds for the Great River Medical Center Project. She said the project will not require Private Activity Bond Cap. Ms. Beary explained that because this is a refunding issue, a public hearing is not needed and the authorizing resolution can be adopted immediately following the inducement resolution.

**Motion:** Ms. Bordwell made a motion to adopt the resolution authorizing the issuance of not to exceed \$37,480,000 of Iowa Finance Authority Hospital Refunding Revenue Bonds (Great River Medical Center Project), Series 2008, for the purpose of making a loan to assist the borrower in refunding prior bonds; authorizing the execution and delivery of certain financing documents pertaining thereto; authorizing an assignment of certain financing documents for further securing the payment of the bonds; authorizing the sale of the bonds; authorizing the appointment of a trustee; and related matters. On a second by Mr. Erickson, the Board unanimously approved Resolution #08-06B.

**ED Loan #07-36, MidAmerican Energy Project**

Ms. Beary asked the Board to hold a public hearing regarding the issuance of an amount not to exceed \$120,000,000 of Iowa Finance Authority Solid Waste Disposal Revenue Bonds and Iowa Finance Authority Pollution Control Facility Refunding Revenue Bonds for the MidAmerican Energy Project. She reported that the bonds will be used for environmental equipment including emission control equipment and solid waste disposal facilities for coal-fired steam electric generation plants and for refunding bonds issued in 1993.

**Public Hearing:** Vice Chair Caudron opened the public hearing at 11:36 a.m. regarding the issuance of an amount not to exceed \$120,000,000 of Iowa Finance Authority Solid Waste Disposal Revenue Bonds and Iowa Finance Authority Pollution Control Facility Refunding Revenue Bonds for the MidAmerican Energy Project. Ms. Beary said IFA had received no written or verbal comments regarding the project. There being no comments from the audience, Vice Chair Caudron closed the public hearing at 11:37 a.m.

**ED Resolution #07-36B, MidAmerican Energy Project**

Ms. Beary introduced the authorizing resolution for \$45,100,000 of Iowa Finance Authority Solid Waste Disposal Revenue Bonds and \$74,900,000 of Iowa Finance Authority Pollution Control Facility Refunding Revenue Bonds for the MidAmerican Energy Project. She noted that the project has an allocation of Private Activity Bond Cap and that the Board adopted the inducement resolution on November 7, 2007.

Mr. Erickson submitted a letter stating a conflict of interest because he represents the borrower on certain matters. He said he would abstain from discussing and voting on the resolution.

**Motion:** Mr. Walter made a motion to approve the resolution authorizing the issuance of \$45,100,000 of Iowa Finance Authority Solid Waste Disposal Revenue Bonds (MidAmerican Energy Project), Series 2008A, for the purpose of making a loan to assist the borrower in financing the Series 2008A Project; authorizing the issuance of not to exceed \$74,900,000 of Iowa Finance Authority Pollution Control Facility Refunding Revenue Bonds (MidAmerican Energy Project), Series 2008B, for the purpose of making a loan to assist the borrower in financing the Series 2008B Project; authorizing the execution and delivery of certain financing documents pertaining to the Series 2008A Project and the Series 2008B Project; authorizing an assignment of certain financing documents for further securing the payment of the Series 2008A Bonds and the Series 2008B Bonds; authorizing the sale of the Series 2008A Bonds and the Series 2008B Bonds; authorizing the appointment of a trustee; and related matters. On a second by Ms. Armstrong, a vote was taken with the following results: YES – Adams, Armstrong, Bordwell, Caudron and Walter; NO – None; ABSTAIN – Erickson, due to the conflict of interest previously noted (see attached letter). On a majority vote, the Board approved Resolution #07-36B.

### **ED Resolution #08-03B, Mercy Medical Center, Cedar Rapids Project**

Ms. Beary introduced the authorizing resolution for \$130,000,000 of Iowa Finance Authority Hospital Facility Revenue and Refunding Bonds for Mercy Medical Center, Cedar Rapids Project. She announced that the bonds will be used for the renovation of the lab and emergency room, to construct a parking ramp, to refund prior bonds and for various other equipment and renovation needs. Ms. Beary noted the project will not require Private Activity Bond Cap. She said the Board adopted the inducement resolution on April 2, 2008, and held the public hearing on May 7, 2007.

**Motion:** Ms. Armstrong made a motion to approve the resolution authorizing the issuance of not to exceed \$130,000,000 of Iowa Finance Authority Hospital Facility Revenue and Refunding Bonds (Mercy Medical Center, Cedar Rapids Project), Series 2008, for the purpose of making a loan to assist the borrower in the acquisition, construction and equipping of a project and refunding prior bonds; authorizing the execution and delivery of certain financing documents pertaining thereto; authorizing an assignment of certain financing documents for further securing the payment of the bonds; authorizing the sale of the bonds; authorizing the appointment of a trustee; and related matters. On a second by Mr. Adams, the Board unanimously approved Resolution #08-03B.

## **HousingIowa**

### **SINGLE-FAMILY HOUSING PROGRAMS**

#### **FY09 NewHome and OurHome Funding Recommendations**

Ms. Murphy introduced the application summaries and funding recommendations for awards under IFA's NewHome and OurHome programs.

#### **Resolution – Habitat for Humanity of Iowa (HFHIA)**

Ms. Murphy said HFHIA has requested \$1.5 million to construct 100 single-family homes statewide for low-income families with incomes at or below 50 percent of area median income. She said the award is contingent on IFA receiving the 3- to 5-year capital plan for Habitat and its affiliates.

**Motion:** On a motion by Mr. Erickson and a second by Ms. Bordwell, the Board unanimously approved the resolution awarding a loan of \$1.5 million to Habitat for Humanity of Iowa to re-loan to affiliates for use in funding the construction of 100 single-family residences for low-income families, with the terms of the IFA loan as set out in the resolution.

#### **Resolution – Lakes Community Land Trust (LCLT)**

Ms. Murphy reported that LCLT has requested \$760,000 to construct two or three single-family units and two duplex units in downtown Spirit Lake, Iowa. She explained that, if approved, the loan would be for \$760,000 with the outstanding maximum loan balance not to exceed \$400,000. Ms. Murphy also noted that the funding is contingent on IFA's approval of the agreement between the City of Spirit Lake and LCLT.

**Motion:** On a motion by Mr. Walter and a second by Ms. Armstrong, the Board unanimously approved the resolution awarding a loan of \$760,000 to Lakes Community Land Trust for use in funding the construction of two single-family residences and, subject to approval by IFA staff, up to two duplexes for low-income families with incomes at or below 80 percent of area median income, with terms of the IFA loan as set out in the resolution.

### **Resolution – Polk County Housing Trust Fund (PCHTF)**

Ms. Murphy announced that PCHTF has requested a \$2 million loan for the acquisition and rehabilitation of 12-15 foreclosed single-family units in Des Moines for resale to income-qualified families. She said 60 percent of the homes would serve as housing for families with incomes at or below 80 percent of area median income, and would be sold for no more than \$120,000. She said 40 percent of the homes would serve as housing for families with incomes at 81 – 120 percent of area median income, and would be sold for no more than \$140,000.

**Motion:** On a motion by Mr. Adams and a second by Mr. Walter, the Board unanimously approved the resolution loaning up to \$2 million based on the terms set forth in the resolution.

### **AFFORDABLE RENTAL PRODUCTION PROGRAMS**

#### **Resolution – State Housing Trust Fund (SHTF) Project-Based Housing Program Awards**

Mr. O'Hern introduced the resolution awarding funding to Iowa Valley Habitat for Humanity, Fort Dodge Municipal Housing Agency and the City of Waterloo, as set forth in the application summary and funding recommendations included in the Board materials.

Mr. O'Hern stated that Iowa Valley Habitat for Humanity has requested a grant of \$90,000 to assist in constructing two single-family homes in Tipton and Williamsburg, to be sold to eligible households at or below 50 percent of the area median income.

Mr. O'Hern explained that Fort Dodge Municipal Housing Agency has requested a \$90,000 grant to assist in the acquisition and construction completion of a five-bedroom single-family home in Fort Dodge to be rented as five units to income-qualified people with disabilities.

Mr. O'Hern said the City of Waterloo has requested a \$16,400 grant to assist in infrastructure development for four new single-family homes to be marketed to first-time homebuyers and sold to eligible households at or below 80 percent of the area median income.

Mr. O'Hern noted that Ms. Rosonke deserves a lot of credit for getting information out around the state about the various aspects of the SHTF. He said IFA has far surpassed what has been done in the past with the program.

**Motion:** On a motion by Mr. Walter and a second by Ms. Bordwell, the Board unanimously approved the resolution awarding grants under the Project-Based Housing Program to the recipients and in the amounts listed on Exhibit A of the resolution, contingent upon all other funding sources being secured, as identified in the applicants' project budgets.

### **Resolution – Multifamily Loan to Midwest Housing Development Fund (MHDF)**

Mr. Johnson stated that because the reduction of the tax credit percentages and syndication rates have created a gap in financing for the 2008 tax credit projects, MHDF has requested a loan of up to \$1.5 million to be used for financing bridge loans to 2008 Low-Income Housing Tax Credit projects receiving an award of state historic tax credit yet to be funded by the investors. He said the loans will be used only for bridge financing to projects located in Iowa that received LIHTC allocations in 2008 and have received a valid award of state historic tax credits.

**Motion:** On a motion by Ms. Armstrong and a second by Ms. Bordwell, the Board unanimously approved the resolution approving a loan of up to \$1.5 million from IFA's Multifamily Endowment Fund to MHDF under the terms set forth on Exhibit A of the resolution.



**Resolution Awarding Additional 2008 Tax Credits to LIHTC #07-30, Community Homes**

Mr. Vaske distributed a cover memo providing additional information about the resolution. He said the project, an 18-unit scattered site acquisition and rehabilitation project in Des Moines, is requesting an increase in tax credits in the amount of \$10,962. Mr. Vaske reported that on December 5, 2007, the Board made a tax credit reservation of \$103,087 to the project. Mr. Vaske said the additional request is based on increases in hard construction costs, professional fees and construction loan interest and fees. He noted the project does have the required contingency fund in place. Mr. Vaske said staff recommends the approval of the additional allocation of \$10,962, making a total allocation of \$114,049.

**Motion:** Mr. Erickson made a motion to approve the resolution awarding additional tax credits to Community Homes Limited Partnership in the amount of \$10,962, contingent upon IFA's receipt of additional reservation fees in the amount of \$1,096.20 and upon the successful completion of underwriting, with the actual final award of tax credits to be based upon the audited costs submitted as part of the Form 8609 application process. On a second by Mr. Walter, the Board unanimously approved the resolution.

**Care Initiatives Request for Permission to Change Managing Member or for Refund of Tax Credit Reservation Fee for LIHTC #08-14, Ridgewood Assisted Living, and #08-15, Southern Hills Assisted Living**

Ms. Pope referred to the letter IFA received from Care Initiatives requesting permission to replace the managing member for both projects from the 2008 LIHTC funding round. Ms. Pope said staff recently met with representatives of the project to explain why IFA would be hesitant to allow such a change. She noted that she also explained that the Board might be willing to refund the projects' reservation fees in exchange for an expedient return of the tax credits so the Board could reallocate the credits for other affordable housing purposes.

Ms. Pope said that staff recommends that the Board allow a refund of the reservation fee of \$19,724 for each project, for a total of \$39,448, in exchange for a timely return of \$385,480 in 2008 tax credits and a commitment from Care Initiatives not to appeal the Board's decision denying the opportunity to replace the managing member for the projects.

**Motion:** Mr. Erickson made a motion to deny the replacement of the managing member for either project, but to refund the reservation fee in the total amount of \$39,448 for both projects in exchange for the timely return of \$385,480 in 2008 Low-Income Housing Tax Credits and a commitment not to appeal the Board's decision denying the replacement of the managing member. On a second by Mr. Adams, the Board unanimously approved the motion.

**Title Guaranty Division (TG)**

**Transfer of Funds**

In the absence of Mr. Ogle, Mr. White announced that the TG Board met on June 3, 2008, and approved a transfer of funds from TG to IFA's housing programs in the amount of \$213,000.

**Motion:** On a motion by Mr. Adams and a second by Mr. Erickson, the Board unanimously accepted the transfer of funds.

Mr. White responded to a question Ms. Bordwell had asked earlier in the meeting regarding the policies TG has issued to homeowners affected by the collapse of Regency Homes. He said an owner's policy with mechanic lien coverage can generally be issued if the lien waivers are in place and if the construction was completed long enough ago that there wouldn't be mechanic lien waivers against it. Mr. White noted that because the market is somewhat unstable at the time, TG is considering each transaction on an individual basis, working closely with closers and the building community to facilitate the transactions where possible, and provide additional peace of mind to owners.

## **Water Quality Programs**

### **Resolution – Planning and Design Loans**

Ms. Beary introduced the resolution to approve Planning and Design Loans for the cities of Maharishi Vedic City and Stratford, and for Keokuk Water Works. She said the total for the projects is \$511,600. Ms. Beary noted that with the adoption of this resolution, IFA has approved Planning & Design Loans in FY08 totaling more than \$23 million for 50 projects.

**Motion:** On a motion by Ms. Bordwell and a second by Mr. Walter, the Board unanimously approved the Planning and Design Loan Resolution.

Ms. Beary reported that after the closing of some Clean Water SRF loans scheduled for June 7, 2008, IFA will have closed over \$100 million in Clean Water SRF loans in FY08, compared to \$32 million in FY 07.

### **Resolution – Wastewater Treatment Financial Assistance Program (WTFAP) Awards**

Ms. Beary introduced the resolution for the fourth round of awards for the WTFAP awards, which are state grants to assist communities with upgrades to their wastewater treatment systems due to changes in water quality standards adopted by the Department of Natural Resources in 2006.

Ms. Beary explained that applicants for the \$1 million available included four projects that were eligible in the last round but were not funded, and one new application. Ms. Beary stated that because the top three projects all received the same score, it was decided to award each project 55 percent of their total possible grant, with \$84,286 to Harley for disinfection facilities; \$275,220 to St. Charles for a new wastewater treatment system; and \$640,494 to Newell for construction of a covered aerated lagoon.

**Motion:** On a motion by Ms. Armstrong and a second by Mr. Walter, the Board unanimously approved the grant awards to the communities in the amounts set forth on Exhibit A of the resolution.

## **Miscellaneous Items**

### **Receive Comments from General Public**

Vice Chair Caudron opened the public comment period and asked if anyone in the audience would like to address the Board.

There being no audience members wishing to address the Board, Vice Chair Caudron closed the public comment period.

Mr. Mills announced that for the eighth consecutive year, IFA's Section 8 Compliance department received positive comments following an annual review completed by HUD just prior to the Board meeting.

Mr. Adams thanked IFA staff for presenting information about IFA's programs in Sioux City for the ISU Extension employees. He said his colleagues appreciated learning more about the programs offered by IFA.

Vice Chair Caudron said the next regular monthly meeting would be held at 10:45 a.m. on July 9, 2008, in Room 116 of the State Capitol.

### **Adjournment**

There being no further business, on a motion by Mr. Adams and a second by Mr. Erickson, the June 4, 2008, meeting of the IFA Board of Directors adjourned at 12:14 p.m.

Dated this 9th day of July 2008.

Respectfully submitted:

Approved as to form:

Bret L. Mills  
Executive Director  
Iowa Finance Authority

Roger J. Caudron, Vice Chair  
Iowa Finance Authority

S:\Administration\Board\Minutes\Minutes 2008\6-4-08 Minutes.doc

## Memorandum

To: Bret L. Mills, Executive Director  
Mark Thompson, General Counsel  
Nancy Wallis, Administrative Assistant

From: David M. Erickson

Date: 6/3/08

Re: Disclosure of Conflict of Interest

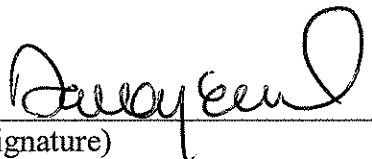
---

Pursuant to Iowa Code section 16.35, the undersigned member of the Board of the Iowa Finance Authority hereby discloses the following conflict of interest with respect to EDles 07-36 B [describe matter to which the conflict applies – for example, Resolution #01-6A, a specific board action, tax credits, etc.]:

The undersigned represents MidAmerican Energy  
in certain matters

[describe the conflict](the "Conflict").

Because of the Conflict, the undersigned will not participate in action by the Authority with respect to the matter described above.

  
(Signature)

David M. Erickson  
(Printed Name)